EXCO TECHNOLOGIES LIMITED
MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This information circular is furnished in connection with the solicitation by the management of Exco Technologies Limited (the "Corporation") of proxies to be used at the annual meeting of shareholders of the Corporation to be held on Wednesday, January 26, 2005, at 4:30 p.m., and at all adjournments thereof, for the purposes set forth in the accompanying notice of meeting. It is expected that the solicitation will be made primarily by mail but proxies may also be solicited personally or by telephone by regular employees of the Corporation. The cost of solicitation of proxies will be borne by the Corporation.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the accompanying form of proxy are directors of the Corporation. **A shareholder has the right to appoint a person to represent such shareholder at the meeting other than the persons designated in the accompanying form of proxy.** Such right may be exercised by inserting in the space provided the name of the other person the shareholder wishes to appoint. Such other person need not be a shareholder of the Corporation.

To be valid, proxies must be deposited with Equity Transfer Services Inc. 120 Adelaide St. W., Suite 420, Toronto, Ontario, M5H 4C3, not later than the close of business (Toronto time) on January 24, 2005.

A shareholder who has given a proxy has the power to revoke it as to any matter on which a vote shall not already have been cast pursuant to the authority conferred by such proxy and may do so (1) by completing and signing a proxy bearing a later date and depositing it as described above; (2) by depositing an instrument in writing executed by such shareholder or by such shareholder's attorney authorized in writing at the registered office of the Corporation at any time up to and including the last business day preceding the day of the meeting, or any adjournment thereof, at which the proxy is to be used, or (3) in any other manner permitted by law.

VOTING OF PROXIES

The shares represented by the accompanying form of proxy will be voted or withheld from voting in accordance with the specifications of the shareholder on any ballot that may be called for and, if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly. If no specification has been made with respect to any such matter, such shares will be voted by the management representatives in the election of directors, in the appointment of auditors and the determination of their remuneration.

The accompanying form of proxy confers discretionary authority upon the management representatives named therein with respect to amendments or variations to matters identified in the notice of meeting and other matters which may properly come before the meeting. At the date of this information circular, the management of the Corporation knows of no such amendments, variations or other matters. If matters which are not known at the date hereof should properly come before the meeting, the form of proxy will be voted on such matters in accordance with the best judgment of the person voting it.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

As of the date hereof, the Corporation has outstanding 41,338,441 common shares. Each common share ("Common Share") entitles the holder of record, as of the close of business on December 10, 2004, the record date established for notice of the meeting, to one vote on all matters to come before the meeting, or any adjournment thereof, except to the extent that a person has transferred any such shares after that date and the transferee of such shares (i) establishes that he owns such shares, and (ii) makes a written demand to be added to the shareholders' list, both at least 10 days before the date of the meeting, to the Secretary of the Corporation at the Corporation's registered office, in which case the transferee will be entitled to vote such shares.

Corporations owned or controlled by Brian A. Robbins and/or trusts of which the beneficiaries are Brian A. Robbins, his wife and children beneficially own 8,500,546 Common Shares. Brian A. Robbins and his wife also beneficially own an additional 777,966 Common Shares, which together with the Common Shares referred to in the immediately preceding sentence, represent approximately 22% of the issued and outstanding Common Shares. In addition, the Corporation has been advised that Van Berkom and Associates Inc., a registered investment counsel and portfolio manager, holds, as manager in one or more of its pension fund and mutual fund clients' accounts, 4,373,465 Common Shares, representing approximately 11% of all the issued and outstanding Common Shares. To the knowledge of the directors or officers of the Corporation, no other person beneficially owns, or exercises control or direction over more than 10% of the issued and outstanding Common Shares.

ELECTION OF DIRECTORS

The articles of the Corporation provide for a minimum of 3 and a maximum of 15 directors. By resolution of the shareholders of the Corporation dated July 22, 1998, the Board of Directors is empowered to determine the number of directors from time to time. With the increase in the size and complexity of the Company and the ever expanding scope of regulatory compliance in recent years the Board of Directors have deemed it necessary to add an additional director with an in depth understanding of the ever evolving regulatory environment. Mr. Laurie Bennett, retired partner of Ernst & Young LLP, Chartered Accountants, is being nominated to fill the new Board position.

The persons named in the enclosed form of proxy intend to vote for the election of the nominees whose names are set forth below. Management does not contemplate that any of the nominees will be unable to serve as a director but, if that should occur for any reason prior to the meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee at their discretion. Each director elected will hold office until the next annual meeting or until his successor is elected or appointed.

The following summary sets forth the names of all persons proposed to be nominated for election as directors, all other major positions and offices with the Corporation now held by them, their principal occupations, their periods of service as directors of the Corporation and the number of Common Shares of the Corporation beneficially owned, directly or indirectly, or over which control or direction is exercised by each of them, as of November 20, 2004. All directors are residents of Canada.

Nominee for Election as Director	Director Since	Principal Occupation	Other Positions and Offices Presently Held With Corporation	Common Shares Beneficially Owned or Controlled
Helmut Hofmann (2) (3)	January 1991	Chairman, Heroux-Devtek Inc. (manufacturing)	Chairman	130,000
Geoffrey F. Hyland (1) (2) (3)	January 2001	President & Chief Executive Officer ShawCor Ltd. (energy services)	None	116,400
Richard D. McGraw (2) (3)	January 1992	President Lochan Ora Group of Companies (investments)	None	155,900
Brian A. Robbins	January 1972	President & Chief Executive Officer The Corporation	None	9,278,512 *
Brian J. Steck (1) (3)	January 2001	President, St. Andrews Financial Corporation (investments)	None	10,000
Ralph J. Zarboni (1) (3)	January 1999	Chairman & CEO The EM Group (plastic and electric products distribution)	None	40,000
Laurie Bennett	to be elected	Retired Partner Ernst & Young, LLP	None	0

(1) Member of the Audit Committee
(2) Member of the Human Resources and Compensation Committee
(3) Member of the Governance and Nominating Committee

* 8,500,546 of these shares are held by corporations owned by or on behalf of Brian A. Robbins and his family. See section headed "Voting Shares and Principal Holders Thereof".

APPOINTMENT OF AUDITORS

The persons named in the enclosed form of proxy intend to vote for the reappointment of Ernst & Young LLP, Chartered Accountants, Toronto, Ontario as auditors of the Corporation to hold office until the next annual meeting of shareholders at a remuneration to be determined by the directors of the Corporation. Ernst & Young LLP were first appointed auditors of the Corporation on January 22, 1992.

AMENDMENT TO STOCK OPTION PLAN

On October 21, 1992, the Corporation established a stock option plan (the “Plan”) for directors, officers and key employees of the Corporation and its affiliates to be administered by the board of directors. The Plan was most recently amended effective February 12, 2003 to increase the maximum number of common shares issuable upon exercise of options ('Options') to 5,240,000 common shares. **Since 1992 5,225,088 Options have been granted of which 2,577,980 Options have been exercised and 2,647,108 Options remain outstanding.** As of the date of this information circular the said 2,647,108 Options outstanding and unexercised constitute 6% of the issued and outstanding shares of the Company.

Options may be granted from time to time by the board of directors of the Corporation at an exercise price to be determined by the board of directors, which in all cases shall not be less than the minimum price permitted by the Toronto Stock Exchange ("TSX") and any other exchange on which the shares may be listed.

It has been the board's historical practice to link Option grants to the compensation of certain officers and key business unit managers by requiring that any such person whose bonus entitlement pursuant to the criteria described in "Report on Executive Compensation" exceeds $50,000 is required to receive, in lieu of cash, Options equal to 1/4 of the bonus entitlement exceeding $50,000. These Option grants are 10 years in duration and vest at the rate of 20% per year. The primary purpose of this requirement is to align the interests of our business unit managers with the long-term success of the Corporation.

The grant of Options to business unit managers and other senior management is also intended to provide them with retirement income as these individuals are not entitled to and do not participate in the Corporation's Deferred Profit Sharing Plan or Employee Share Purchase Plan. In fact, apart from the Plan, the Corporation provides no pension plan or otherwise makes provision for its senior executives' or business unit managers' retirement needs. In effect, the Corporation views the long term rewards inherent in the Plan as providing retirement income to its business unit managers. Options are also granted to directors and other senior executives annually as described in "Compensation of Directors" herein.

There are now only 14,912 Options available to be granted. This will be insufficient to satisfy the requirements of future compensation arrangements with business unit managers, senior executives and directors for fiscal 2005 and beyond.

Proposed Amendments

The Corporation believes that the execution of its business plan is the result of the efforts of a technically talented, highly motivated team and that its ability to retain and further attract similarly skilled and technically talented personnel will continue to be indispensable for the Corporation's future success. If the Corporation is not successful in attracting and retaining personnel with the requisite technical and managerial skills, its ability to execute its business plan, its financial results and the value of its common shares may be adversely affected. The grant of Options has therefore formed a critical component of the Corporation's business plan and overall executive compensation strategy since its inception in 1992 without which a major pillar of the Corporation's existing incentive arrangements with its key staff and its ability to continue to attract similarly talented new staff will be disrupted.

Accordingly, the board of directors has determined that it is appropriate and necessary that the Plan be amended to increase the maximum number of common shares reserved for issuance pursuant to the Plan from 5,240,000 common shares to 6,000,000 common shares which increase will permit the grant of Options to acquire an additional 760,000 common shares.

The amendments to the Plan described above have been approved by the TSX. In accordance with the requirements of the TSX, approval of the above amendments to the Plan require approval of disinterested shareholders by ordinary resolution, being a majority of the votes cast at the meeting by shareholders on the resolution, excluding votes attaching to common shares beneficially owned by the individuals who will be entitled to receive Option grants and who are "insiders" (as such meaning is defined in the *Securities Act* (Ontario)) as well as "associates" (as such meaning is defined in the *Securities Act* (Ontario)) of grantees. At the meeting our transfer agent and registrar will be directed to exclude votes on this resolution by such insiders and associates, which insiders and their associates hold 13,707,124 common shares. The resolution relating to this amendment is attached at Schedule "A" to this circular.

AMENDMENT TO EMPLOYEE SHARE PURCHASE PLAN

On January 21, 1993 the Corporation established an employee share purchase plan (the "ESP Plan") for employees of the Corporation and its US Subsidiaries who are not insiders of the Company and do not participate in the Stock Option Plan. Employees may elect to participate in the ESP Plan and are limited to allocating no more than 10% of their pay to participation in the ESP Plan. The Plan was most recently amended effective February 12, 2003 to give effect to a 2 for 1 stock split. Accordingly, the maximum number of common shares issuable under the ESP Plan was increased to 1,233,878 common shares. **Since 1993 981,868 options have been granted. All these options have been exercised and 252,010 options remain available for granting.**

Options under the ESP Plan may only be granted in December of each year ('Grant Date') at an exercise price equal to the weighted average of trading prices on the last 5 trading days prior to the Grant Date. **These options are one year in duration** and can only be exercised in December of the year following the Grant Date ('Exercise Date'). Appropriate payroll deductions are made throughout the year to ensure that sufficient funds are available on the Exercise Date to fund the exercise of the Options if the employee elects to so exercise. If the employee elects not to exercise the Corporation will refund to the employee the funds collected by payroll deduction plus interest thereon.

In December 2005 management expect that approximately 250,000 options may be exercised. There are currently 252,010 options remaining in the Company's ESP Plan pool of options. The remaining 252,010 options available for grant may be insufficient to satisfy the requirements of the ESP Plan for fiscal 2005 and beyond.

Proposed Amendments

The Corporation believes that the ESP Plan provides production employees and other staff of the Company not participating in the Plan to have an economic stake in the performance of the Company's stock. Accordingly, the board of directors has determined that it is appropriate and necessary that the ESP Plan be amended to increase the maximum number of options issuable under the ESP Plan from 1,233,878 common shares to 1,500,000 common shares which increase will permit the grant of options to acquire an additional 266,122 common shares in accordance with the ESP Plan.

The amendments to the Plan described above have been approved by the TSX. In accordance with the requirements of the TSX, approval of the above amendments to the Plan require approval of shareholders by ordinary resolution, being a majority of the votes cast at the meeting by shareholders on the resolution. Since none of the potential grantees are "insiders" (as such meaning is defined in the *Securities Act* (Ontario)) or their "associates" (as such meaning is defined in the *Securities Act* (Ontario)) all shareholders will be permitted to vote on this resolution. The resolution relating to this amendment is attached at Schedule “B” to this circular.

Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options (a)	Weighted-average exercise price of outstanding options (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plan approved by securityholders *(stock option plan)*	2,647,108	$4.37	14,912
Equity compensation plan approved by securityholders *(employee share purchase plan)*	nil	nil	252,010
Equity compensation plans not approved by securityholders	nil	nil	nil
Total	2,647,108	$4.37	266,922

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table provides a summary of compensation earned during each of the last three fiscal years by the Chief Executive Officer, Chief Financial Officer and the three most highly compensated executive officers who served as executive officers of the Corporation at the end of the fiscal year ended September 30, 2004 (the "Named Executive Officers").

		Annual Compensation			Long-Term Compensation Awards	
Name and Principal Position	**Year**	**Salary $**	**Bonus $**	**Other Annual Compensation (1) $**	**Securities Under Options Granted (2) #**	**All Other Compensation $**
Brian A. Robbins President and Chief Executive Officer	2004 2003 2002	348,128 348,128 348,128	357,348 705,228 736,276	68,413 94,202		
Bonnie M. Cartwright Executive Vice-President	2004 2003	207,500 190,000	105,000 100,000		10,000 20,000	

	2002	160,000	76,500		28,000	
Paul E. Riganelli (3) Vice-President Finance and Chief Financial Officer	2004	120,000	80,000			
Scott E. Bond (4) Vice-President Finance and Chief Financial Officer	2004 2003 2002	71,667 215,000 215,000	 107,500 107,500			296,315
Jan M. Tesar President, Casting Technologies Division	2004 2003 2002	268,300 268,300 268,300	151,961 301,132 471,769		20,587 40,000 51,546	
Gabriel Piccinin (5) President, Exco Extrusion Dies Division	2004 2003 2002	245,100 245,100 245,100	126,328 167,038 171,392		7,083 11,374 13,906	

(1) The value of annual perquisites and benefits for each of the Named Executive Officers is shown only when the value exceeds the lesser of $50,000 and 10% of the total annual salary and bonus.
(2) Figures reflect 2 for 1 stock dividend paid February 2003.
(3) Commenced employment with the Company January 1, 2004.
(4) Ceased employment with the Company December 31, 2003.
(5) Retired on September 30, 2004.

Option Grants During the Most Recently Completed Financial Year or Issued in Lieu of Annual Bonuses in Respect of That Year

Option Grants During the 2004 Financial Year					
Name	**Securities Under Options Granted**	**% of Total Options Granted to Employees in Financial Year**	**Exercise or Base Price ($/Security)**	**Market Value of Securities Underlying Options on the Date of Grant ($/Security)**	**Expiration Date**
Bonnie M. Cartwright	10,000	6.2	5.85	5.85	May 31, 2009
Jan M. Tesar	20,587	12.9	7.15	7.15	Nov. 18, 2014
Gabriel Piccinin	7,083	4.4	7.15	7.15	Nov. 18, 2014

Aggregated Option Exercises During the Most Recently Completed Financial Year and Financial Year-End Option Values

The following table summarizes for each of the Named Executive Officers, the number of stock options exercised during the financial year ended September 30, 2004, the aggregate value realized upon the exercise and the total number and value of unexercised options held at September 30, 2004.

Name	**Shares Acquired On Exercise**	**Aggregate Value Realized (1)**	**Unexercised Options at FY-End (#) Exercisable/Unexercisable**	**Value of Unexercised in-the-Money Options at FY-End (2) ($) Exercisable/Unexercisable**
Brian A. Robbins	0	0	411,388 / 61,344	1,645,746 / 234,302
Bonnie M. Cartwright	0	0	25,600 / 52,400	87,532 / 124,128
Paul E. Riganelli	0	0	0	0

Scott E. Bond	90,000	384,300	219,808 / 14,222	787,036 / 45,593
Jan M. Tesar	225,000	990,000	591,996/253,154	2,156,010/465,072
Gabriel Piccinin	0	0	190,921/0	564,838/0

(1) Aggregate value realized is the difference between the market value, based on the closing price of the common shares on the Toronto Stock Exchange (the "TSX") on the exercise date and, respectively, the exercise or base price of the option.

(2) Aggregate value of unexercised in-the-money options at financial year-end is the difference between the market value of the underlying common shares at financial year-end, based on the closing price of the common shares on the TSX, and, respectively, the exercise or base price of the option.

Report on Executive Compensation

The Human Resources and Compensation Committee ('HRC Committee') consists of three directors, Richard D. McGraw (Committee Chairman), Helmut Hofmann, and Geoffrey Hyland. These members are all independent as defined in Multilateral Instrument 52-110. To assist it in achieving its goals, the Committee calls on the assistance of compensation consultants from time to time. The HRC Committee is responsible for recommending, for approval by the Board of Directors, the remuneration package of the senior officers and business unit managers of the Corporation. The remuneration of the senior officers and business unit managers of the Corporation consists of three components: base salary, annual bonus program and long-term stock option program.

Base Salary

The Corporation pays base salaries that the HRC Committee believes are competitive with salaries paid for similar positions within the North American marketplace for public companies of relatively comparable size.

Annual Bonus Program

The annual bonus program is designed to compensate business unit managers for the financial performance of the operations for which they are responsible. Accordingly, the annual bonus payable is based upon a percentage of the pre-tax profit of the relevant operation(s). The amount of the bonus increases as the percentage of pre tax profit to sales increases. The bonus is paid in cash or cash and Options in cases where the bonus exceeds $50,000. See 'Stock Option Program' below.

The annual bonus program of the Chief Executive Officer is 3% of the adjusted consolidated pre-tax profit of the Corporation. The adjustment to pre tax profit is in the form of a capital charge. The capital charge consists of the Corporations cost of borrowing multiplied by the prior year-end shareholders' equity.

Stock Option Program

Where the annual bonus payable to business unit managers exceeds $50,000 the entitled individual is required to accept, in lieu of cash, Options equal to ¼ of the bonus entitlement exceeding $50,000. These Options are 10-year stock options granted at the market price at the time of grant.

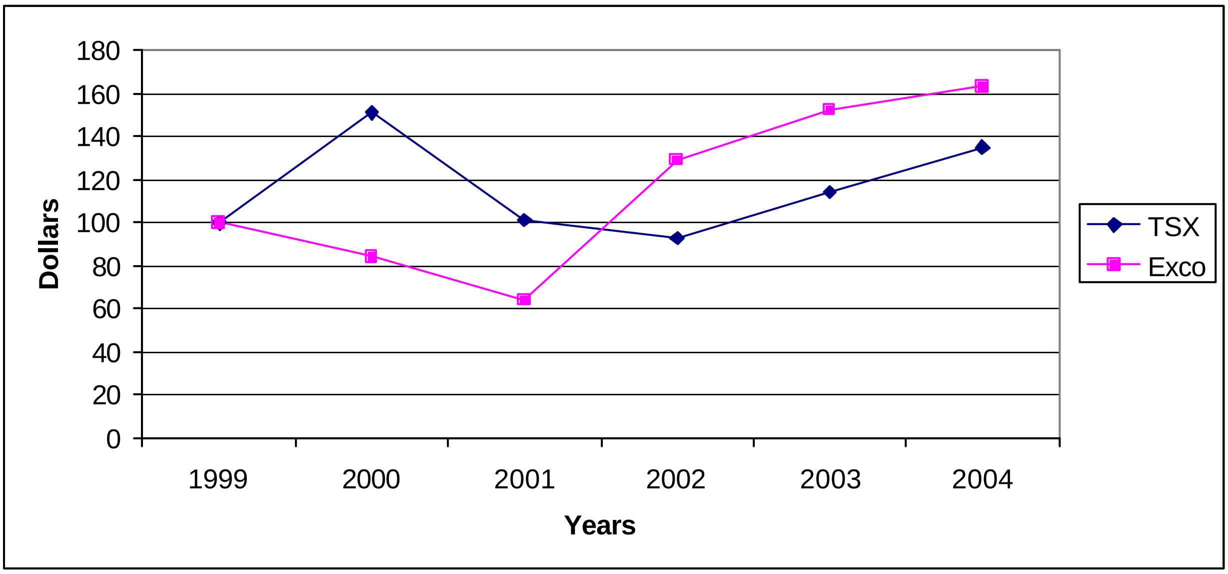
The performance of the Corporation and continued growth in the value of its shares is dependent on striking a balance between short-term and long-term objectives. The HRC Committee believes that the remuneration of its senior executives and business unit managers should mirror these objectives. The Committee believes that the Corporation's remuneration package consisting of competitive base salaries, annual bonus program and its stock option plan achieves this goal.

Submitted by the Human Resources and Compensation Committee of the Board of Directors.

Richard D. McGraw - Chairman
Helmut Hofmann
Geoffrey Hyland

PERFORMANCE GRAPH

The following graph illustrates the five-year cumulative total shareholder return (assuming reinvestment of dividends) of a $100 investment in shares on September 30, 1999 to September 30, 2004 compared with the return on the S&P/TSX Composite Index.



	Sept 30/99	Sept 30/00	Sept 30/01	Sept 30/02	Sept 30/03	Sept 30/04
TSX	**100**	**151**	**101**	**93**	**114**	**135**
Exco	**100**	**84**	**64**	**129**	**152**	**163**

COMPENSATION OF DIRECTORS

In fiscal 2004, each director who was not an employee of the Corporation (an ‘Eligible Employee’) was paid as remuneration for services as a director of the Corporation the amounts set forth below:

Annual Board Retainer	$12,500 and 5,000 options
Annual Board Chair Retainer	$12,500
Annual Committee Chair Retainer	$3,500
Board Meeting – Attendance	$1,000
Committee Meeting – Attendance	$1,000

The total amount of directors fees paid to Eligible Directors during fiscal 2004 was $129,490.

The directors, other than Brian A. Robbins, hold in the aggregate 215,000 stock options pursuant to the Corporation's stock option plan.

MANAGEMENT CONTRACTS

The Company has entered into a management contract with WS Enterprises Inc. and William Schroers for management services relating to the Automotive Solutions segment. Both parties are domiciled in the State of Michigan, USA. The amount paid to WS Enterprises Inc. under this contract by the Company for the fiscal year ended September 30, 2004 is US$821,706. There is no indebtedness owing to the Company by parties to this management contract.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Corporation has taken out directors' and officers' liability insurance in an amount of U.S. $10,000,000 for annual premiums of approximately U.S. $63,373. The Corporation will pay the first U.S. $100,000 of any claim made under the policy.

REPORT ON CORPORATE GOVERNANCE

The Board of Directors and management of the Corporation believe that effective corporate governance is essential to enhancing and protecting shareholder value. The TSX has promulgated guidelines relating to corporate governance matters. All corporations listed on the TSX must now annually disclose their approach to corporate governance with specific reference to each of the Guidelines.

TSX Guidelines	Comments
1. The Board of Directors should explicitly assume responsibility for stewardship of the Corporation and, as part of the overall stewardship responsibility, should assume responsibility for the following matters:	The primary role of the Board of Directors is one of stewardship and oversight of the Corporation's business activities on behalf of all stakeholders. The Board relies on the Corporation's senior management team to develop, implement and be responsible for all operating activities. Monitoring change, effectiveness and integrity are requisites.
(a) adoption of a strategic planning process;	The Board conducts an annual review with the senior management team of the Corporation assessing its strategic goals and objectives. Once agreed upon and approved, the Board reviews consistency and effectiveness on a quarterly basis.
(b) the identification of the principal risks of the Corporation's business and ensuring implementation of appropriate	The Board conducts an annual review of all the Corporation's operating divisions and departments so as to identify all relevant risks. Thereafter, it assesses the practices and procedures that are either in place or

systems to manage those risks.	necessary changes to achieve desired results. On behalf of the Board, the audit committee spends additional time with both the auditors of the Corporation and the internal audit team to more closely monitor effective risk practises.
(c) succession planning, including appropriate training and monitoring senior management;	The Board and its Human Resources and Compensation committee review and assess the quality, effectiveness and growth potential of its senior management and staff to ensure ongoing leadership, strength and continuity.
(d) a communications policy for the Corporation; and	The Board has approved a Disclosure Policy that is designed to ensure that communications to the investing public are timely, factual, accurate and broadly disseminated in accordance with all regulatory requirements. The Disclosure Policy applies to directors, officers and such other employees of the Corporation who are privy to material undisclosed information regarding the Corporation. The Board also reviews all Press Releases, Reports to Shareholders and Annual Reports prior to issuance. The President and Vice-President Finance are primarily responsible for communications with shareholders and other stakeholders participating in regularly scheduled conference calls to discuss the Corporation's results.
(e) the integrity of the Corporation's internal control and management information systems.	The Audit Committee, relying on the auditors' input, monitors the quality and integrity of the Corporation's accounting and financial reporting, internal controls and management information systems.
2. The Board should be constituted with a majority who qualify as "unrelated" directors.	The Board is comprised of six directors, five of whom qualify as independent and unrelated. Brian A. Robbins, President and Chief Executive Officer, is the only "related" director. The position of Chairman is a separate position from the Chief Executive Officer and the Chairman is not a member of management.
3. The application of the definition of "unrelated director" is the responsibility of the Board. The Board will be required to disclose on an annual basis whether it has a majority of unrelated directors. Management directors are related directors. The Board will also be required to disclose on an annual basis the analysis of the application of the principles supporting this conclusion.	Brian A. Robbins is the President and Chief Executive Officer of the Corporation. He is also a significant shareholder and therefore qualifies as "related". The remaining members of the Board are independent of management and are free from any interest and any business or other relationship (other than interests arising from shareholdings), which could, or could reasonably be perceived to, materially interfere with any such director's ability to act in the best interests of the Corporation.
4. The Board should appoint a committee of directors composed exclusively of outside, i.e. non-management directors, a majority of whom are unrelated directors, with the responsibility for proposing to the full Board new nominees to the Board and for assessing directors on an ongoing basis.	The governance and nominating committee consists of the five independent directors and is responsible for assessing the quality of directors and proposals for any new directors. The Chairman ultimately decides on any Board changes.
5. The Board should implement a process to be carried out by the appropriate committee for assessing the effectiveness of the Board as a whole, its Committees and the contribution of individual directors.	The Board members engage in assessments of the contribution of each Board member and their contributions as committee members. Their appointment is reviewed and evaluated on an annual basis.

6. The Corporation should provide orientation and education programs for new recruits to the Board.	New directors are provided with appropriate background information that includes the Corporation's financial results, business descriptions and organizational structure. Each director is invited to visit the operating facilities and meet with corporate and divisional management.
7. The Board should examine its size and undertake, where appropriate, a program to establish a Board size, which facilitates effective decision-making.	The Board currently has six members and is of the view that six to eight is the appropriate range to operate effectively.
8. The Board of Directors should review the form and adequacy of directors' compensation to ensure that the compensation realistically reflects responsibility and risk involved in being an effective director.	The Human Resources and Compensation Committee annually reviews the compensation of directors to ensure that it is consistent with current market practices reflecting risk and responsibilities.
9. Board committees should generally be composed of outside directors, a majority of whom are unrelated directors although some board committees may include one or more inside directors.	All committees are comprised of unrelated directors.
10. The Board should assume responsibility for, or assign to a committee of directors, the general responsibility for developing the Corporation's approach to governance issues. This committee would, amongst other things, be responsible for the Corporation's response to these governance guidelines.	The Board is responsible for developing the Corporation's approach to corporate governance, monitoring the governance systems in place and responding to reassessing changes in the Guidelines.
11. The Board, together with the CEO, should develop position descriptions for both the Board and the CEO, including the definition of limits to management's responsibilities. The Board should also approve or develop the corporate objectives that the CEO is responsible for meeting and assess the CEO against these objectives.	In addition to matters that by law must be approved by the Board, the latter is responsible for significant changes in the Corporation's affairs. Accordingly, management is required to obtain Board approval prior to entering into any significant matters including but not limited to acquisitions, divestitures, capital expenditures and operating budgets. Although the Board has not specifically defined all limits of management's responsibilities, the Board meets regularly with all senior operating management to review operational activities, potential opportunities or limitations, economic overview consequences and, hence, intended or anticipated directives. The corporate objectives of the CEO are discussed quarterly when reviewing operating reports presented to the Board. The performance of the President and Management are assessed against the achievement of budget and the objectives established on an annual basis.
12. The Board should establish structures and procedures to ensure the Board of Directors can function independently of management. An appropriate structure would be to appoint (i) a Chair who is not a member of Management with the responsibility to ensure that the Board discharges its	The Chairman is an independent and unrelated Board member who ensures that questions are asked without the presence of any member of the senior management team including its President and CEO. In-camera sessions are held absent the CFO and Corporate Secretary.

responsibilities or (ii) adopt alternate means such as assigning this responsibility to a committee of the Board or to a director, sometimes referred to as the "lead director". The Chair or lead director should ensure that the Board carries out its responsibilities effectively which will involve the Board meeting on a regular basis without management present and may involve assigning the responsibility for administering the Board's relationship to management to a committee of the Board.	
13. The Audit Committee should only be composed of outside directors. The roles and responsibilities of the Audit Committee should be specifically defined so as to provide appropriate guidance to Audit Committee members as to their duties. The Audit Committee should have direct communication with the internal and external auditors to discuss and review specific issues as appropriate. The Audit Committee duties should include oversight for management reporting on internal control. While it is management's responsibility to implement an effective system of internal control, it is the responsibility of the Audit Committee to ensure that management has done so.	The Audit Committee is composed entirely of outside Directors. The roles and responsibilities of the Audit Committee have been specifically defined in a policy entitled Audit Committee Charter (as attached). The Audit Committee reviews quarterly and annual financial statements, Management's Discussion and Analysis in the Corporation's Reports to Shareholders, all public disclosure documents as required by regulatory authorities and makes recommendations to the Board with respect to such statements and documents. The Audit Committee is in direct communication with the auditors to discuss and review specific issues as appropriate. The Audit Committee also reviews the nature and scope of the annual audit as proposed by the auditors and Management as well as the risks inherent in the Corporation's business. The Audit Committee recommends the appointment of the Corporation's external auditors and the terms of their remuneration. The Corporation's array of internal controls is documented and reviewed with the Audit Committee.
14. The Board should implement a system that enables individual directors to engage outside advisors at the Corporation's expense in appropriate circumstances. The engagement of the outside advisor should be subject to the approval of an appropriate committee of the Board.	The Board is currently comprised of knowledgeable members who are capable of deciding when outside advisors are appropriate. With prior approval of the Board, a member or committee is able to engage outside advisors at the expense of the Corporation to deal with appropriate matters.

GENERAL

Information contained herein is given as of November 20, 2004. The management of the Corporation knows of no matter to come before the annual meeting of shareholders other than the matters referred to in the notice of meeting. The contents and the sending of this management information circular have been approved by the Board of Directors of the Corporation.

Additional financial information is provided in the Corporation's comparative financial statements and Management Discussion & Analysis for Fiscal 2004. Further information relating to the Corporation is available on SEDAR at 'www.sedar.com'. Securityholders may request copies of the Corporation's financial statements and management discussion and analysis for fiscal 2004 by contacting the Corporation at its corporate offices at 130 Spy Crt., 2nd Floor, Markham, Ontario, L3R 5H6, Phone 905-477-3065, Fax 905-477-2449.

Toronto, Ontario
December 10, 2004

Paul Riganelli
VP Finance, CFO & Secretary

Schedule "A"

Resolution Relating to Amendment to the Stock Option Plan

BE IT RESOVLED THAT:

1. Paragraph 2.2 of the Stock Option Plan (the 'Plan') of the Corporation be and it is hereby amended to increase the number of shares which may be issued under the Plan to 6,000,000.

2. any director or officer of the Corporation is hereby authorized and directed for and in the name of and on behalf of the Corporation to execute or cause to be executed, whether under the corporate seal of the Corporation or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as in the opinion of such director or officer may be necessary or desirable in connection with the foregoing.

Schedule "B"

Resolution Relating to Amendment to the Stock Option Plan

BE IT RESOVLED THAT:

1. Paragraph 1 of the Employee Share Purchase Plan (the 'ESP Plan') of the Corporation be and it is hereby amended to increase the number of shares which may be issued under the ESP Plan to 1,500,000.

2. any director or officer of the Corporation is hereby authorized and directed for and in the name of and on behalf of the Corporation to execute or cause to be executed, whether under the corporate seal of the Corporation or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as in the opinion of such director or officer may be necessary or desirable in connection with the foregoing.

AUDIT COMMITTEE CHARTER

I. Purpose of Audit Committee

The Audit Committee is appointed by the Board of Directors to assist the Board in fulfilling its oversight responsibilities in relation to the integrity of the Company's financial statements, the Company's compliance with legal and regulatory requirements, the qualifications, independence and performance of the external auditor and the performance of the Company's internal audit function.

II. Audit Committee Composition and Meetings

Audit Committee members shall meet the applicable requirements of the *Business Corporations Act* (Ontario), Canadian securities regulatory authorities and the Toronto Stock Exchange. The Audit Committee shall comprise of three or more Directors determined by the Board, each of whom shall be outside Directors who are "independent" as such term is defined in MI 52-110 and unrelated, free from any relationship that would interfere with the exercise of his or her independent judgment. All members of the Committee shall be financially literate, as defined in MI 52-110.

Audit Committee members shall be directors of the Company and shall be appointed by the Board. If an Audit Committee Chair is not designated or present, the members of the Committee may designate a Chair by majority vote of the Committee membership.

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. The Audit Committee Chair shall prepare and/approve an agenda in advance of each meeting. The Committee should meet privately in executive session at least annually with management, the external auditors, and as a committee to discuss any matters that the Committee or any of these groups believe should be discussed.

III. Audit Committee Responsibilities and Duties

The Audit Committee's primary duties and responsibilities are to:

- Identify and monitor the management of the principal risks that could impact the financial reporting of the Company.

- Provide oversight of the Company's financial reporting process and system of internal controls.

- Monitor the independence and performance of the Company's external auditors and internal auditing practices.

- Provide an avenue of communication among the external auditors, management, the internal auditors and the Board of Directors.

- Report to the Board of Directors.

The Audit Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to the external and internal auditors as well as anyone in the organization. The Audit committee has the ability to retain, at the Company's expense subject to Board approval which will not be unreasonably withheld, such legal, accounting, or other consultants or experts relating to specific and discrete matters which it reasonably deems necessary in the performance of its duties (including the authority to set and pay the compensation for any properly approved advisors employed by the Audit Committee).

Review Procedures

1. Review and assess the adequacy of this Charter at least annually and submit any changes to the Charter to the Board of Directors for approval.

2. Review the Company's annual audited financial statements, management discussion and analysis, annual earnings press releases and related documents prior to filing or distribution. Review should include discussion with management and external auditors of significant issues regarding accounting principles, practices, and significant management estimates and judgements.

3. Review with financial management the Company's quarterly financial statements, management discussion and analysis, interim earnings press releases and related documents prior to the release of earnings and/or the Company's quarterly financial statements prior to filing or distribution and recommend approval to the Board. Discuss any significant changes to the Company's accounting principles.

4. The Audit Committee must be satisfied that adequate procedures are in place for the review of the Company's disclosure of other financial information extracted or derived from the Company's financial statements.

5. Annually, in consultation with management and external auditors, consider the integrity and assess the adequacy of the Company's financial reporting processes and controls. Discuss significant financial risk exposures and the steps management has taken to monitor, control, and report such exposures. Review significant findings prepared by the external auditors together with management's responses.

6. Review the effectiveness of the overall process for identifying the principal risks affecting financial reporting and provide the Committee's view to the Board of Directors.

External Auditors

7. The external auditors are ultimately accountable to the Audit Committee and the Board of Directors, as representatives of the shareholders. The Audit Committee shall oversee and review the independence and performance of the auditors and annually recommend to the Board of Directors the appointment of the external auditors and their compensation or approve any discharge of auditors when circumstances warrant.

8. Approve the fees and other significant compensation to be paid to external auditors.

9. Pre-approve all non-audit services provided by the external auditors to the Company and its subsidiaries, as services are required. The Audit Committee may pre-approve non-audit services from time to time. If it does so it shall establish policies for such pre-approval provided no such pre-approval will exceed the amount of $25,000 in any fiscal year.

10. On an annual basis, the Committee will review and discuss with the external auditors all significant relationships they have with the Company that could impair the auditor's independence.

11. Review and approve the Company's hiring policies regarding former and present partners and employees of the Company's external auditors.

12. Review the external auditors' audit plan and discuss and approve audit scope, staffing, locations, reliance upon management, and general audit approach.

13. Prior to releasing the year – end earnings, discuss the results of the audit with the external auditors. Discuss certain matters required to be communicated to audit committees in accordance with the standards established by the Canadian Institute of Chartered Accountants.

14. Consider the external auditors' judgements about the quality and appropriateness of the Company's accounting principles as applied in the Company's financial reporting.

Internal Audit Department and Legal Compliance

15. Review and approve management's decisions related to the need for internal auditing.

16. On at least an annual basis, review with the Company's counsel any legal matters that could have a significant impact on the organization's financial statements, the Company's compliance with applicable laws and regulations, and inquiries received from regulators or government agencies.

Dispute Resolution and Complaints Procedure

17. Resolve any disagreements between the Company's management and external auditors regarding financial reporting.

18. Resolve any disputes relating to accounting, internal accounting controls or audit matters among corporate management.

19. The Audit Committee must establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters.

20. The Audit Committee must establish a procedure for the confidential, anonymous submission of concerns by employees of the Company regarding questionable accounting or auditing matters.

Other Audit Committee Responsibilities

21. Annually review and assess the effectiveness of the committee against the Charter and report the results of the assessment to the Board.

22. Disclose the Charter and other required information relating to the Audit Committee to shareholders as required by applicable Canadian securities laws.

23. Perform any other activities consistent with this Charter, the Company's by-laws, and governing law, at the Committee or the Board deems necessary or appropriate.

24. Maintain minutes of meetings and regularly report to the Board of Directors on significant results of the foregoing activities.

25. Review financial and accounting personnel succession planning within the Company.

26. Annually review a summary of Director and officers' related party transactions and potential conflicts of interest.